



## STATE AGENCY COLLECTIONS REFERRAL PROCESS

The Department of Treasury acts as a centralized collection agency and works with many state agencies, courts and universities to collect on debts that have become delinquent. Delinquent debts are those that have not been collected within 180 days (due process) of becoming active. Part of this process involves Treasury working with the agency, court or university to come to agreement on the debt type at hand and collecting that debt. Once agreement is reached, the debt is referred to Treasury to begin official collection activity. With a goal to streamline the current debt referral process and increase communications between all parties involved, the Collections Services Bureau committed to a lean process improvement (LPI) in April 2017. Through this process, the LPI core team reviewed the current referral process and identified opportunities to improve the process via recommendations made to Project Sponsors. From the approved recommendations, the Collections Services Bureau has since seen improvements regarding:

- **Updated memorandum of understanding (MOU) language for state agencies, courts and universities**
- **24% reduction in errored submissions of debts**
- **Anticipated increase in new debts referred as a result of increased outreach by as much as \$48M**
- **Streamlined the debt details process, a savings of approximately 30 days for the Department of Treasury**
- **Established a central point of contact for agencies, resulting in up to a 97% decrease of contacts for a single debt in some agencies**
- **Providing reports to customers 93% faster by utilizing DTMB Data Exchange Gateway**

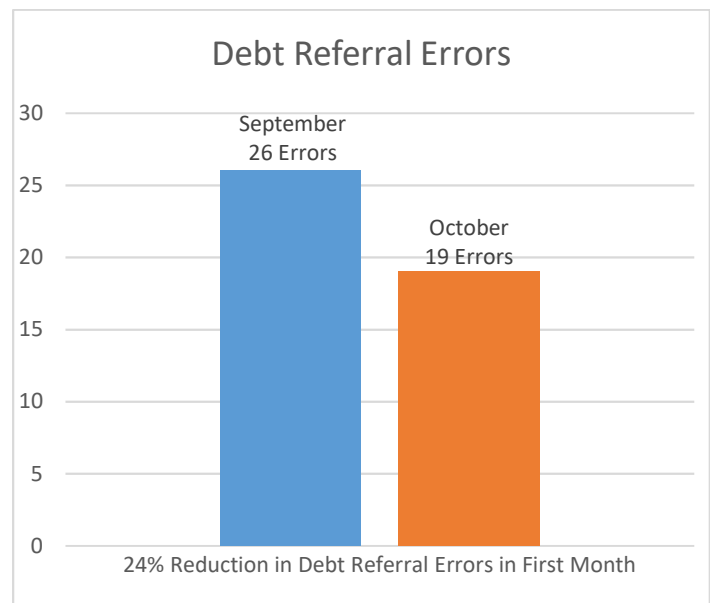
The team also updated the referral procedure, which has assisted in identifying training needs and has allowed for a more holistic approach to processing. They have identified an opportunity for some agencies to submit debts once every six years versus every year and have increased communication channels via a central email inbox for state agencies, courts and universities.

### Key Process Changes:

- Updated MOU's
- Updated Referral Procedure
- Increased training and outreach
- Streamlined debt approval process

### Future Expectations:

- Electronic submission of all debts referred to Treasury
- Decrease in errored debts submitted
- Better working relationships between Treasury and the state agencies, courts and universities
- Increase in debts collected



**93% Decrease in Time to Report to Customers**